



Department of Financial Institutions
JANUARY 28, 2004

CONTACTS:

- Scott Kinney, Communications Director
Ph 360-902-0517, skinney@dfi.wa.gov

For immediate Release:

DFI ENCOURAGES RESOLUTION

OLYMPIA – Today, the Department of Financial Institutions (DFI) met with counsel for the Columbia Credit Union. DFI listened to their proposed solution to the current situation – an entirely new conversion vote. The Department contacted the petitioning member group, Save CCU, to inquire if they were open to discussions. The Department encouraged the credit union to contact the petitioning member group to discuss this proposal as an alternative to their petition.

The Department views this as an important opportunity for the board and the petitioning members to reach an amicable solution. As a result of this afternoon's meeting, DFI agreed to allow the parties until noon on Friday, January 30 to resolve this situation. If no resolution is reached, DFI will move forward with its enforcement action.

Last week, the Division of Credit Unions issued an opinion letter clarifying that the petition is legally valid. The purpose of the special meeting sought by the petitioning group is to: rescind the recent vote to convert to a mutual savings bank; remove the board of directors; and elect interim directors. The Columbia Board responded to this legal opinion by rejecting the petition and refusing to hold a special membership meeting.

On Tuesday evening, shortly before the Division of Credit Unions was to serve an enforcement action against Columbia, their counsel requested a meeting with the Director. DFI awaits the outcome of the discussion between the parties.

###